

---

# FEDERAL HOUSING FINANCE AGENCY



## NEWS RELEASE

---

For Immediate Release  
December 24, 2013

**Contact:** Corinne Russell (202) 649-3032  
Stefanie Johnson (202) 649-3030

### **FHFA Index Shows Mortgage Interest Rates Decrease in November**

**Washington, DC** – National data show interest rates on mortgages declined in November. Contract mortgage interest rates decreased 0.10 percent from October to November, according to an index of new mortgage contracts.

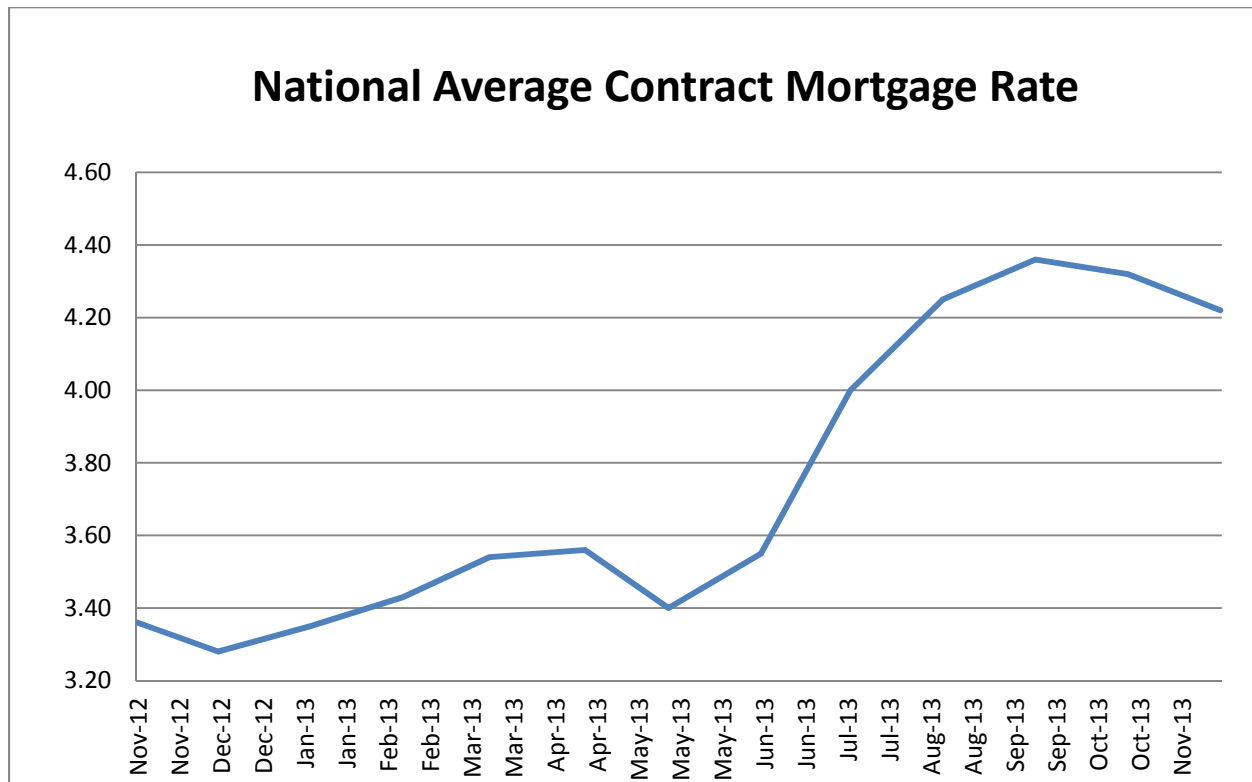
According to the Federal Housing Finance Agency (FHFA), the National Average Contract Mortgage Rate for the Purchase of Previously Occupied Homes by Combined Lenders index was 4.21 percent for loans closed in late November. The index is calculated using FHFA's Monthly Interest Rate Survey. The contract rate on the composite of all mortgage loans was 4.22 percent, down 10 basis points from 4.32 in October.

Interest rates are typically locked in 30-45 days before a loan is closed. Consequently, November data reflect market rates from mid- to late-October. The effective interest rate was 4.38 percent, down 11 basis points from 4.49 percent in October. The effective interest rate accounts for the addition of initial fees and charges over the life of the mortgage.

FHFA's interest rate survey shows the average interest rate on conventional, 30-year, fixed-rate mortgages of \$417,000 or less was 4.48 in November, a decrease of 10 basis points. The average loan amount for all loans was \$264,900 in November down \$4,100 from \$269,000 in October.

FHFA will release December index values Thursday, January 30, 2014.

For more information, call David Roderer at (202) 649-3206. You can hear recorded index information by calling (202) 649-3993. You can find the complete contract rate series at [www.fhfa.gov/Default.aspx?Page=251](http://www.fhfa.gov/Default.aspx?Page=251).



Source: FHFA

Technical note: The data are based on a small monthly survey of mortgage lenders, which may not be representative. The sample is not a statistical sample but is rather a convenience sample. Survey respondents were asked to report terms and conditions of all conventional, single-family, fully amortized purchase-money loans closed during the last five working days of the month. The data did not include mortgages guaranteed or insured by the Federal Housing Administration or the U.S. Department of Veterans Affairs. Data also excluded refinancing loans and balloon loans. November 2013 data are based on 4,565 reported loans from 22 lenders, which include savings associations, mortgage companies, commercial banks, and mutual savings banks. The effective interest rate includes the amortization of initial fees and charges over a 10-year period (the historical assumption of the average life of a mortgage loan).

###

*The Federal Housing Finance Agency regulates Fannie Mae, Freddie Mac and the 12 Federal Home Loan Banks. These government-sponsored enterprises provide more than \$5.5 trillion in funding for the U.S. mortgage markets and financial institutions.*